

COMMITTEE ON HUMAN RESOURCES/INSURANCE

May 23, 2006

7:00 PM

Chairman Gatsas called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Shea, Pinard, Duval

Absent: Alderman Garrity

Messrs.: V. Lamberton, K. Dillon, M. Sink, J. Porter

Chairman Gatsas addressed Item 3 of the agenda:

Communication from Mayor Guinta advising of the implementation of a new process for seeking grants for the City of Manchester.

Chairman Gatsas stated Ms. Lamberton I understand that this item has been removed.

Virginia Lamberton, HR Director, responded I believe the Mayor sent a letter out saying that they were going to withdraw that didn't he.

Clerk Bernier stated I have no knowledge of that. It seems like through the correspondence that Craig is doing all of the department heads now. My department is Sally Fellows. I think he was just giving you guys some information.

Chairman Gatsas asked are you suggesting we receive and file.

Clerk Bernier answered yes I would suggest that. I will talk to the Mayor tomorrow but I don't think there was any action being requested.

On motion of Alderman Shea, duly seconded by Alderman Duval it was voted to table this item.

Chairman Gatsas addressed Item 4 of the agenda:

Communication from Virginia Lamberton, Human Resources Director, on behalf of the Airport Director, requesting the establishment of a new position/class specification of Airport Financial Manager, salary grade 24.

Ms. Lamberton stated I have a substitute class specification. There is an error in the one attached to your package.

Chairman Gatsas asked are you familiar with what she is passing out Kevin.

Clerk Bernier stated when you are done this discussion I just found out some information from the Mayor regarding Item 3.

Kevin Dillon, Airport Director, stated out at the Airport as you know we have had significant growth and that growth has led to a lot of increased workload, particularly as it relates to some of the business agreements and contracts out at the Airport. After reviewing the organization at the Airport I feel it is necessary to have a financial position assigned to the Property Contracts Division. What I would like to do is move our Business Services Officer over to that division to function in that capacity. That is a job that is already authorized and created at the Airport. Once I move that position over to the Contracts Division that creates a vacuum within the financial management division of the Airport so I certainly need to fill that position and at the same time I want that position to assume a higher level of responsibility than it has in the past. A lot of the financial work at the Airport right now is done by Mike Farren. Mike Farren, as the Assistant Director for Finance and Administration is being asked to pick up additional responsibilities related to our sound insulation program at the Airport, which is going to take a lot of his time so a lot of the financial work that he does needs to shift over to this new Financial Manager position. I am also looking at it with an eye towards the eventual retirement of Mike Farren. Mike Farren has indicated that he will most likely retire in the near future. He hasn't identified a specific date but when you consider the complexity of Airport financial matters it will take somebody quite a long time to learn the background that will be necessary to function in that position. When Mike Farren does retire I would be looking to eliminate that Assistant Director position at the Airport.

Alderman Shea stated that last statement kind of struck me...would you elaborate on that. The last statement you made about Mike Farren when he does leave and that you are going to eliminate the position in lieu of doing what?

Mr. Dillon responded right now at the Airport there are five Assistant Directors. I believe the organization that I would like to have would eventually bring that down to two Assistant Directors. That doesn't mean that the work of those other Assistant Directors goes away but I think those positions can be adjusted with some of this workload shift to positions that I would title Manager. That is what you are starting to see here in terms of the position of Manager of Finance. I would like to ultimately bring that level of position at the Airport down to what I would call a Manager level, which would be more consistent, with what you would find at Airport organizations across the country.

Alderman Shea asked would that occur in 2007 or 2008...you probably can't elaborate but it is within the near future correct.

Mr. Dillon answered right. Mike has given me a specific date. Mike Farren is a very valuable employee at the Airport. I would love him to stay for another 10 years but he has indicated that at some point he will be retiring.

Chairman Gatsas stated let me ask you and this may be the wrong time to ask you but I am going to ask you anyway. I notice that HR is doing this classification. Do you have a chargeback from the City to the Airport for this work?

Mr. Dillon responded I don't know if I can specifically speak to class specifications. I know we do receive chargebacks from various City departments. It would be my general sense that in some cases I do believe there probably could be more being charged to the Airport than there is but that is just in a general sense based on an overall level of chargeback. Today at the Airport for actual work outside of the audit work that we pay for there is probably only in total about \$30,000 to \$40,000 worth of chargeback to the Airport. When you consider the level of work or the level of position that is performing work for us, whether it is the HR Department or the City Solicitor or the Finance Department, that salary level wouldn't equate to even half a person year. Again, just my general sense is that there are probably additional chargebacks that could be coming to the Airport but I wouldn't be able to speak specifically to any particular department. I can tell you the departments we do routinely get chargebacks from are the Risk Management folks, Finance Department and City Solicitor.

Chairman Gatsas asked so right now you are getting chargebacks of \$30,000 to \$40,000 and you think that you could afford to send the City somewhere around \$50,000 to \$60,000.

Mr. Dillon answered certainly it is just my sense. I would have to have back up.

Chairman Gatsas stated I just had to ask the question because I saw the work being done. I just...obviously you know that we are in the budget cycle and I probably should have asked you that on another occasion but I don't know whether I am going to see you again before the budget is passed.

Mr. Dillon replied I would think that maybe all departments could be reminded that there is an opportunity to cover their costs from Enterprise funds when they are doing work for the Airport.

Alderman Shea moved to approve the establishment of an Airport Financial Manager, salary grade 24. Alderman Duval duly seconded the motion. Chairman Gatsas called for a vote. There being none opposed, the motion carried.

Chairman Gatsas stated we will now go back to Item 3.

On motion of Alderman Shea, duly seconded by Alderman Pinard it was voted to remove Item 3 from the table.

Communication from Mayor Guinta advising of the implementation of a new process for seeking grants for the City of Manchester.

On motion of Alderman Shea, duly seconded by Alderman Duval it was voted to receive and file this item.

Chairman Gatsas addressed Item 5 of the agenda:

Communication from Virginia Lamberton, Human Resources Director, requesting a revision to the Building Inspector class specification.

Ms. Lamberton asked may I make a correction. Leon LaFreniere and I apparently had a communication problem regarding the title. I thought he wanted the Building Inspector title minimum qualifications to be changed but in fact he wanted the Housing Inspector minimum qualifications to be changed so if we can just change for the record, the class title would be Housing Inspector and the class code is 5120.

Max Sink, Building Department, stated this is simply a request to change the qualifications required for the hiring of a Housing Inspector. Right now it calls for certification under the model code agencies to be in place in order to hire somebody. We would like to change that to allow for hiring someone without that qualification but requiring them to receive it within the probationary period.

Chairman Gatsas asked at whose expense.

Mr. Sink answered typically the City's expense. We cover recertification for most of our inspectors.

Chairman Gatsas replied I can understand the recertification and appreciate that once somebody is an employee but if you are looking to waive the ability to have the certification on the front end then I don't really think that should be a bound of the City to pay for during the probationary period. If the employee wants to pay for it during the probationary period or must achieve it during that probationary period then that makes sense. To say to somebody we are going to waive it, you come in and we are going to pay for it, I don't know what the expense is but even if it is only \$10 I don't think that is something that the City should be doing to get you a job.

Mr. Sink responded we can certainly make it mandatory that they pay for it.

Alderman Shea stated I know there was discussion during the last Aldermanic meeting concerning people who were hired...at least there was a thought brought forth by a couple of Aldermen to hire people even though they weren't qualified for the particular position and there was a lot of discussion in that regard and I hope that by doing this we are not establishing some sort of precedent because two Aldermen in particular were criticized if you recall because they wanted to kind of change the situations in terms of what requirements were necessary. I know Ms. Lamberton that you are familiar with that situation. I am not sure exactly what we are establishing as far as precedent here in terms of waiving some sort of qualifications. Could you elaborate on how much we are waiving?

Mr. Sink replied it is simply the certification requirement that we are postponing eventually. We still look for a certain level of experience and any kind of extra training they had. We are trying to hire the most qualified people out there. On the first pass we wouldn't get enough qualified people. We found out that it was simply because of the lack of that qualification or that certification.

Ms. Lamberton stated what we were talking about on the other occasion was we have a set of minimum qualifications that have been approved by the Board of Mayor and Aldermen and the notion at that time was that even though we approved those it didn't make any difference and that applications should go to the departments even though the person has no knowledge or experience in that particular profession. That is what we were talking about there. What we are doing here is making it proper. We are saying that the minimum qualifications are this. Like this requires an Associates Degree in Construction Management and it

requires a certain number of years in the business. You had to work in construction or plumbing or whatever. The only one thing that you don't have to have right now is the recertification and the reason for that is we don't have that many, if any, people in NH so what we are trying to do is get people to be certified in their field. Now if it gets to the point where there are lots of those kinds of people around we will come back to you and say we don't need to have this anymore. We have done that in some of the entry-level positions in Water Works and at the Airport where before we were requiring a commercial driver's license and we couldn't get people. Now what we do is we hire them with the right experience and education and give them six months to get their commercial driver's license. If they don't get it or they fail the test or the person in that department doesn't get it they are done, they are history, they are fired. So it is a little bit different but I understand your concern and I share your concern.

Chairman Gatsas asked how do we implement that the City is not going to pay for the certification during the probationary period of the employee.

Ms. Lamberton asked is it a tuition type of thing and they go to a college or is it on the Internet.

Mr. Sink answered they can take Internet courses.

Ms. Lamberton stated we wouldn't pay for that through tuition reimbursement anyway because they are probationary. We do not do tuition reimbursement for probationary employees. However, staff development policy doesn't really say that I don't think but they don't have any staff development money to speak of anyhow. You also should just tell them that they are prohibited from doing that and that should be sufficient. I don't think we are paying for people who don't have commercial driver's licenses to take the test. I believe that is incumbent upon the individual.

Chairman Gatsas replied right but I don't think that what we are doing is giving them during the probationary period on a driver's license saying you can drive the truck but you need to have a license but during the probation you don't have to.

Ms. Lamberton responded no what they do and actually in those instances it happens fairly quickly because they are allowed to use a City truck on City property to practice and then they go and take their test. That can happen in a matter of two weeks.

On motion of Alderman Shea, duly seconded by Alderman Duval it was voted to approve the revision to the Housing Inspector class specification.

Chairman Gatsas addressed Item 6 of the agenda:

Communication from Virginia Lamberton, Human Resources Director, requesting adoption of one or more of the following policies relating to participation in the Contributory Retirement System for both full-time and part-time employees:

- establish a minimum number of hours per week that a part-time employee would have to work in order to be eligible to participate in the Retirement System (i.e., 20 hours, 30 hours, 35 hours);
- establish a policy as to whether or not upon retirement a part-time employee can purchase health insurance; and
- make a decision as to whether or not the City will allow former retired part-time City employees to sign up for health insurance during the open enrollment period.

Ms. Lamberton stated several years ago, probably four years ago, I was talking to the former director of the Retirement System about why part-time employees were participating in the Retirement System because the environment I had come from you could not...you were prohibited from participating in the Retirement System unless you worked full-time. The long and the short of it is the law that provides for our Retirement System says full-time and part-time employees can participate in the Retirement System. The directors, the current one and the former one, feel that the number of hours a person has to work part-time should be a decision that is made by the City. In other words we should decide at what point we want to allow a part-time employee to participate in the City Retirement System. Currently we have 17 employees who have jobs that are ongoing and there is really no end date. They work 20 or more hours per week as a part-time employee and they are contributing to the Retirement System.

Chairman Gatsas asked is there a City match.

Ms. Lamberton answered there is a match yes. I have a woman in my office, the Payroll Coordinator works part-time. She works 24 or 25 hours a week and she is contributing to the Retirement System. Now that was always a question and I did not bring it to the Board before now. The reason I am bringing it to you now is if you see the letter that is attached to my letter from Gerry Fleury you know how they had the health insurance subsidy for retired employees and future retired employees passed by the Legislature. Well that law also requires the Retirement System and us to have what is called an open enrollment for all people who have already retired from the City, whether they were full-time or part-time, to come back into the health insurance plans and then get the subsidy based on their length

of service with the City before they retire. My reaction to that was well we don't allow our current part-time employees to participate in our health insurance. Why would we now allow people who retired five years ago to come back and get on our health insurance? It didn't make any sense to me and then to make it even more confusing our current part-time employees are now required to pay the 5% contribution towards retirement and 1.5% of that is for health insurance. So they are working for us and contributing 5% instead of the 3.5% that they were contributing but they are never going to be able to pick up the health insurance once they do retire because the open enrollment is a one shot deal. So my question to the Board is a policy question. At what point do you want part-time employees...ongoing part-time employees to be able to contribute to the Retirement System. I am suggesting 35 hours. The other question that I need to answer really quickly is are we going to allow the former retired employees during the open enrollment to come back on our health insurance?

Alderman Duval stated for purposes of clarification and so we can be very specific I was wondering if we could take one bullet at a time here because she sort of co-mingled in her and I appreciate your presentation but you sort of co-mingled bullet one and bullet three. Just for clarity specifically relating to bullet one I heard you recommend 35 hours.

Ms. Lamberton responded I recommended that but I am really saying it is your decision. I would say at a minimum nothing less than 20 hours.

Chairman Gatsas asked do you want to take these one bullet at a time.

Alderman Duval answered yes. I would like to move to accept the recommendation of the HR Director for 35 hours a week.

Alderman Shea stated my question is if somebody works 24 hours and they are contributing are they contributing for nothing because their pay is being obviously...part of their pay you said is being used to contribute towards their retirement and their health benefit as well is that correct.

Ms. Lamberton replied maybe I wasn't clear for you. Right now 17 employees are all working 20 hours or more. Up until a few months ago they were contributing 3.5% of their pay to the Retirement System. They could retire, get a retirement check after five years of employment as a part-time employee then the health insurance law was passed, the subsidy law, and what that says is that all of the employees have to contribute 5% so some of the part-timers, not all of them because I have not spoken to all of them but some are a little upset because they are paying another 1.5% for something that they will never get.

Alderman Shea responded that is exactly what I said. They have to do that. They have no choice. So if they are contributing another 1.5% to me it only seems fair that they should participate. Why would you take money from someone who is working part-time, 1.5% of whatever they make and put it into a health subsidy that they can never benefit from? That isn't fair in my opinion.

Ms. Lamberton replied that is why I brought it to you.

Alderman Shea stated so if we limit it to people working 35 hours the person in your office who is working 24 hours would not be able to get a subsidy.

Ms. Lamberton replied I would recommend that we let all of the people who are currently participating in the Retirement System decide whether or not they want to continue. That would be my recommendation. If they don't want to continue then we would stop the whole deduction and they would no longer be...

Alderman Shea interjected would they have a choice to contribute just to their retirement but not to the medical subsidy.

Ms. Lamberton responded no.

Alderman Shea stated so they would have no voice in their retirement or they would have to contribute 1.5% of the 5% for a health benefit that they will never receive.

Ms. Lamberton replied right.

Alderman Shea stated well I don't think that is fair.

Alderman Duval stated I think Alderman Shea with his questioning just clarified something for me. Ms. Lamberton what is your recommendation as the HR Director?

Ms. Lamberton replied well to be honest with you I am saying...I think in Gerry Fleury's letter he talks about 35 hours so I guess I have to confess, maybe it is not this letter but another letter I got from him that stated 35 hours and he believes that should be the threshold. If that is the case, none of our part-time employees would be eligible for contributions to the Retirement System unless you grandfathered them in. Our workweek is 40 hours. 32 hours might be a fairer number because it

is a 4/5 time. If you are going to work 35 hours you may as well work 40. What is the difference? So maybe 32 would be a fairer number but again none of these people who are currently regular part-time ongoing employees work that many hours. No excuse me we have one.

Alderman Shea asked if a person works say over 20 hours, say 24 hours, how much of a medical subsidy would they receive once they decided to retire.

Ms. Lamberton answered it is not based on hours. The subsidy is based on years of service. To be honest with you I didn't bring the subsidy information with me. I don't know if maybe Joan Porter has it. I think after five years or something is it \$50/month. For active employees it goes from I think \$50 to \$200/month based on years of services. At 20 years you would get the \$200.

Alderman Shea asked so in other words what you are saying is that if you have a person working part-time for 20 years they would get \$200/month for a medical subsidy. Is that what you are saying?

Ms. Lamberton answered we wouldn't let them because while they are working those 20 years we don't prorate health insurance. You are either a full-time employee to get health insurance or not. If you are 39 hours you don't get the health insurance. You have to work 40 hours a week to get that health insurance.

Alderman Shea asked if we changed it I am saying.

Ms. Lamberton asked to prorate the health insurance and the premiums. That would be your decision if you wanted to prorate the premiums so that part-time employees could purchase...they would have to pay a lot more and then you have people who are in unions and it gets complicated.

Alderman Shea stated something is flawed here.

Alderman Gatsas asked can you...I think what we ought to do is get some additional information. Can you get us...one I think Mr. Fleury has to come here and explain to us what the ramifications are from a Retirement System standpoint? Two, what other communities in the state are doing with this very issue.

Ms. Lamberton answered sure.

On motion of Alderman Shea, duly seconded by Alderman Duval it was voted to table this item.

Ms. Lamberton stated I do have a problem. What is going to happen possibly is that former part-time retired employees will be getting a letter or would have gotten a letter telling them that they can come and be on our health insurance plan as a retired employee.

On motion of Alderman Pinard, duly seconded by Alderman Duval it was voted to remove the item from the table.

Chairman Gatsas stated so the one you are looking for that needs to be a definite is the second bullet, which is establish a policy as to whether or not upon retirement an employee can purchase health insurance. Is that correct?

Ms. Lamberton replied only in part because I look at that as prospectively. I am talking about people who worked part-time for the City and have already retired and are receiving retirement annuity. They are going to be invited to come back on unless we say no. Then the question is how many of those people are there. Well Retirement can't tell me that.

Chairman Gatsas asked the last two bullet points are either yes or no. Either we want part-time retired employees participating in the health plan or we don't.

Ms. Lamberton responded that is correct.

Chairman Gatsas stated I think that is something we probably shouldn't be looking at – opening the open enrollment to part-time employees because what you are going to find is people who haven't been on the plan coming in who may have some medical problems that are going to totally disrupt the medical plan. What is your recommendation?

Ms. Lamberton responded I guess I am pretty frugal when it comes to this stuff. I would recommend that we not allow that.

Chairman Gatsas asked so you would recommend that we shouldn't allow the last two bullets.

Ms. Lamberton answered stated I would say for the last bullet no we do not want former part-time employees to come onto our health insurance. The middle bullet I have mixed feelings about. The first and second bullets to me are intermingled because if the City wants to have a...like the state has a prorated system where people who work 32 hours a week or more than have health insurance on a

prorated basis meaning financially prorated. So the question is do you want to do that. If you don't want to do it then the rest is easy. If you do want to do it then the second question is sure they get to buy it when they retire just like everybody else.

Alderman Duval asked what do we do with the May 12 date. What happens now that we have gone past it? Is it still open enrollment?

Ms. Lamberton answered yes they still have it going. I will just...I almost feel foolish telling you this but Gerry says he can't tell for sure who was a former employee who worked part-time or full-time. I am not sure we are going to be able to figure it out but what I did want him to do was send a letter out to all of the retirees saying it was okay.

Alderman Duval asked the date of May 12, that pertain to bullet points two and three or just three.

Ms. Lamberton answered just three.

Alderman Duval asked so we could act on bullet three and meet the deadline.

On motion of Alderman Duval, duly seconded by Alderman Pinard it was voted to decline all part-time retired employees from signing up for health insurance during the open enrollment period.

Alderman Shea asked is there some way that this Committee or somehow the Finance Committee or someone could amend the way that the part-time people participate in the medical subsidy. Could it be altered or changed? By that I mean the part-time people will continue if we make a motion here to pay into a subsidy that they will never, ever share in. I am not sure if that is taxation without representation or taxation without recognition is not too good. I don't think any of us would like to do that and you mentioned the state allows people to do it.

Ms. Lamberton answered no not for retirement. Only to purchase health insurance, not retirement. You can not participate in the state retirement system unless you are a full-time employee.

Alderman Shea asked in that particular instance are there people who have a choice whether they want to pay into that or not.

Ms. Lamberton replied well if you are a part-time employee you are not allowed to pay into it.

Alderman Shea asked is something taken out of their pay.

Ms. Lamberton answered they are not members of the retirement system.

Alderman Shea stated so basically then the only benefit these people will get who are part-time employees by paying 1.5% is the actual 3.5% that they are now paying into their retirement.

Ms. Lamberton replied essentially yes.

Alderman Shea asked you can't remove the 1.5%.

Ms. Lamberton answered I asked Gerry if we could do that and he said we would have to do that legislatively, which is possible.

Alderman Shea asked at the state level.

Ms. Lamberton answered yes.

Chairman Gatsas stated I think what we can do from the Board's point of view just for clarification at least in my opinion is that if we establish a policy whether or not upon retirement a part-time employee can purchase health insurance if we say they can't that would allow us to legislatively say to them that they only have to pay 3.5% and not 5%.

Ms. Lamberton responded that would correct the legislation yes.

Chairman Gatsas stated I think we need to make that motion now and find out in that legislation who has paid the 5% and they should be reimbursed for that 1.5%. Obviously that can't go into place until next year. If we say they can't now and we set a precedent saying they can't that means legislatively it should be easier to amend.

Ms. Lamberton replied I think so but to be honest with you I just worry about the people who have been contributing...you know for whatever reason they can work part-time.

Chairman Gatsas stated they can. I don't think that somebody working part-time shouldn't contribute but it should be at the 3.5%.

Ms. Lamberton stated well that has to be legislatively changed.

Chairman Gatsas stated I agree with that but if we say they can't participate in the health insurance it is going to make that option legislatively easier to do. Do you suggest that we move that now?

Ms. Lamberton replied yes.

On motion of Alderman Pinard, duly seconded by Alderman Shea it was voted that part-time City employees not be allowed to purchase health insurance from the City upon retirement.

On motion of Alderman Duval, duly seconded by Alderman Shea it was voted to put the first bulletpoint on the table.

TABLED ITEMS

On motion of Alderman Duval, duly seconded by Alderman Shea it was voted to remove Items 7, 8 and 9 from the table.

Chairman Gatsas stated let's do the easy ones first.

8. Communication from Virginia Lamberton, Human Resources Director, requesting the establishment of a new class specification Painter, salary grade 13, and the establishment of two painter positions.
(Tabled 11/15/2005)

Chairman Gatsas stated I think we should probably not establish those two positions but we should at least establish the salary grade of 13 so it is there and it has to go to Bills on Second Reading so if somebody wants to move forward with that we at least have the classification but we are not putting in the two positions. Would you agree Ms. Lamberton?

Ms. Lamberton responded yes. There was a question about funding for these positions and that is why it was tabled.

Chairman Gatsas stated right. I am not looking to fund them I am just looking to get the salary grade...

Ms. Lamberton interjected just processing the class spec they would still have to come back to you to get the positions approved when they had funding.

Chairman Gatsas stated correct.

On motion of Alderman Shea, duly seconded by Alderman Pinard it was voted to approve the new class specification, Painter, salary grade 13.

9. Communication from Virginia Lamberton, Human Resources Director, on behalf of Kevin Dillon, Airport Director, requesting the reclassification and new class specification of Canine Handler Supervisor, salary grade 17.
(Tabled 03/07/2006)

Chairman Gatsas asked why did we put this on the table. Does anybody know? Are you all set with this Mr. Dillon?

Mr. Dillon answered we need it.

On motion of Alderman Shea, duly seconded by Alderman Duval it was voted to approve the reclassification and new class specification of Canine Handler Supervisor, salary grade 17.

7. Communication from Joan Porter, Tax Collector, relating to part-time employees.
(Originally tabled 12/07/2004. Retabled 01/04/2005 pending a report on the fiscal impact from Human Resources.)

Chairman Gatsas stated I guess this has been on the table for two years. We are going to deal with it tonight one way or the other.

Joan Porter, Tax Collector, stated on this issue with part-time employees it began when we first hired a part-time employee in August 2004. We had had part-time employees previously and they always got an increase at the end of their six-month probation and then a yearly increase and we discovered after we hired her that that ordinance had been changed. So we came to the Committee asking if...it was our opinion when we looked at the way the ordinance had been changed that the intent at the time was to change the way temporaries and seasonals were paid because they got raises automatically every year when they came back. So if it was summer employees at Parks & Recreation or whatever those people every year when they came back were getting increases. When the ordinance change went through, from the minutes of that meeting Alderman Sysyn had asked who is impacted by this change and the answer was that it would impact the people who come back every year. So from those minutes and reading all of this I deducted

that the intention of the Committee was to change the way temporary seasonal employees were paid so that they did not automatically get a raise. Unfortunately, part-time employees, which was the ordinance just before that, were paid based on the following ordinance for temporary seasonals. So the reference to the following one changed part-time employees without actually referring to part-time employees being changed. Our contention has been that part-time employees are continuous service employees who work 52 weeks a year. There aren't that many...Ginny just said there are 17. There aren't that many in the City but they provide a fabulous service for the City in that in our case we have these two part-time employees who work four hours a day. They don't get health insurance and they work side by side with people full-time who are making more money and I had used an example in one of my letters that if we hired two people on the same day, one full-time and one part-time, over four years the full-time employee would be making \$1/hour more than the part-time employee and they are doing the exact same job. There is no difference in the job they are doing other than that one works 40 hours and gets 40 hours pay and the other works 20 hours and gets 20 hours pay and the 20 hour person doesn't get health insurance.

Chairman Gatsas asked that is after how many years.

Ms. Porter answered over a four-year period. I think the chart is on the agenda.

Chairman Gatsas asked it would be a \$1/hour difference.

Ms. Porter answered yes over the first four years and it progresses because the part-time employee that we hired in August 2004 hasn't gotten a raise yet. She is still at the same pay because she has to work two years before she gets her first increase. That was one of the problems and there are a few inconsistencies in there as well as far as she does earn sick leave and vacation but the way the ordinances read, which need to be clarified, the sick leave you earn it but you can't start using it until you are done with probation but the interpretation has been that they don't have a probation. They always did but they don't so when do they start using the sick leave they earn if they don't have probation so that was another issue we had.

Chairman Gatsas stated I think that when you look and make a clarification that somebody needs to be here four years and at the end of four years based on their 20 hours a week times 52 weeks is 1,040 hours times 4 years is 4,160 hours where the full-time employee has worked 8,320 hours. I would think that for the hour verification difference that there would be a difference in the hourly rate. Just looking at it from the number of hours somebody has put in versus what somebody

else is doing on a part-time basis. I understand what you are saying when you say they are doing the same job, however, they are also getting a retirement benefit, which in most places if you go to the private sector a person working four hours a day doesn't get a match on retirement.

Ms. Porter replied but in most cases most of these part-time employees, at least in our case, are feeder employees. They come in as a part-time hoping to become full-time. For us there are many advantages for us in that the day that a full-time employee position is approved we have a trained employee right in place. When we need somebody to cover us an extra hour or two hours we can have the part-time employee stay at straight time instead of a full-time employee at time and a half so there are a lot of advantages to us having this part-time person and they are hard to keep because people don't always want to work four hours a day.

Chairman Gatsas asked Ms. Lamberton would it make sense to take a look at a floating scale. If there is a difference...even though the two grades are the same and one is part-time and one is full-time and obviously you need to work 2,080 hours to move to the next step is there a way we could say if you worked half of that you move half a step?

Ms. Lamberton answered first of all I would not recommend that. Joan keeps talking about them making different amounts of money. Well so do the full-timers. You have somebody who has worked here 20 hours and will be making a higher hourly rate than somebody who worked here two years but they are in the same salary grade and the salary grade is what determines the level of responsibility. It is the classification system so if you have a...I will give you a piece of paper that I did...

Chairman Gatsas interjected let me ask a simpler question because this is getting a little too in-depth. The person who is at \$8/hour, the same two people who were hired on the same day and one is a full-time employee and one is a part-time employee at the end of a year the full-time employee goes up to let's say \$8.50. The part-time employee stays at \$8. Is there any way let's say the next year the full-time employee goes to \$9 and the part-time employee is still at \$8. There is nothing in our pay matrix that says this employee should get an increase in their hourly wage?

Ms. Lamberton stated no. You could just keep carrying that and carrying that. Say you have someone who gets hurt and they break a leg and they can't come to work for three months. They still have to get their hours in as a full-time employee. It just keeps compounding itself and compounding itself.

Chairman Gatsas responded I understand what you are saying but I just don't think...I think a part-time employee certainly doesn't have the same level as a full-time but I would think that somebody who has been here five years...

Ms. Lamberton interjected well after five years they would have gone up at least two steps.

Ms. Porter stated every two years they get a raise.

Ms. Lamberton responded they have to work 2,080 hours. So if you have somebody working 30 hours a week it will be less than a year. If you have somebody...Joan has 20 hour a week employee. My employee is a 24-hour a week so she will be getting her step increase before Joan's employee will.

Chairman Gatsas stated I understand that the way it works is it is based on hours worked. 2,080 hours not matter who it is is what you have to get even if that full-time employee or that person who was only working 38 hours a week...

Ms. Lamberton interjected they would get it pretty quick. They would get it in 10 months. It is based on hours worked. It is time worked basically that it comes down to.

Chairman Gatsas stated there are two motions I can see. One is receive and file and the second would be to re-establish a part-time employee that would gain after 1,040 hours a pay increase.

Ms. Lamberton stated step increase is the proper language. You know...

Ms. Porter interjected that is the way it always was. It always was that the part-time employees got an increase at six months and then once a year the same as full-time until August 2002. That is when it changed.

Ms. Lamberton stated everybody complains about Yarger Decker and all of the give aways in Yarger Decker and those are some of the give aways. Again if it was my company I would not recommend that you do more than... you know I can see after six months maybe but anything more than that I think part-time employees should have to work the same number of hours as the full-time employees to earn their steps.

Chairman Gatsas replied I don't disagree with you. A part-time employee obviously in that probationary period maybe should see some sort of increase. I hear what you are saying.

Ms. Lamberton stated maybe at the end of 1,040 hours, which may take them a year.

Chairman Gatsas stated I don't have a problem if somebody wants to make that recommendation. The first raise would be looked at at 1,040 hours and then after that it is 2,080.

Ms. Lamberton stated actually that would be if I may comment consistent with what is happening to the full-timers because when the full-timers get to six months they are at 1,040 hours.

Alderman Shea moved to have part-time employees at 1,040 hours will get a step increase and after that they have to work 2,080 hours. Alderman Duval duly seconded the motion.

Ms. Porter asked effective when.

Ms. Lamberton stated I need to do an ordinance. I think you should be telling me to revise the ordinance.

Chairman Gatsas stated we will have you revise the ordinance. Do we not grandfather anybody in?

Ms. Porter responded I would like that. It is only one employee in my office.

Ms. Lamberton stated we have Library Pages and a lot more people who are eight hours a week and what not.

On motion of Alderman Shea, duly seconded by Alderman Pinard it was voted to revise the ordinance to reflect that part-time employees who work 1,040 hours will get a step increase with subsequent step increases be given after 2,080 hours of work and refer the ordinance to the Committee on Bills on Second Reading for technical review.

There being no further business, on motion of Alderman Shea, duly seconded by Alderman Pinard it was voted to adjourn.

A True Record. Attest.

Clerk of Committee